



## United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
COLORADO RIVER VALLEY FIELD OFFICE  
2300 River Frontage Road  
Silt, CO 81652  
www.blm.gov



March 21, 2019

In Reply Refer To:  
COC-074205 (CON040)

CERTIFIED MAIL – 7017 0190 0000 4895 4922  
RETURN RECEIPT REQUESTED

Gregory Dangler  
President  
RMR Aggregates, Inc.  
4601 DTC Blvd., Suite 130  
Denver, CO 80237

Dear Mr. Dangler,

Your Plan of Operations Modification for expansion of the Mid-Continent Quarry was received on November 24, 2018. The Plan includes the proposed removal of suspected common variety minerals as defined in 43 CFR 3830.12. Following past discussions, this letter is to officially notify you that the Bureau of Land Management (BLM) Colorado River Valley Field Office (CRVFO) intends to conduct a Determination of Common Variety Mineral Examination (DCV) of your 44 placer mining claims in Sections 24 and 36, Township 5 South, Range 89 West, Section 31, Township 5 South, Range 88 West as well as Sections 3 and 4, Township 6 South, Range 89 West, Sixth Principal Meridian, Garfield County, Colorado. A complete list of the mining claims is enclosed.

The purpose of conducting the DCV is to verify that the claims are for the development of an uncommon variety locatable mineral and comply with the requirements of the mining laws, including the discovery of a valuable mineral deposit. If the requirements have been met, the BLM will consider the mining claims to be valid. However, if the material is determined to be a common variety mineral not subject to the mining laws or the implementing regulations (43 CFR 3809), the BLM will work with RMR to relinquish all or part of the claims. Alternatively, if BLM and RMR cannot agree on relinquishment of the claims, per our regulations, BLM would initiate contest proceedings against claims that do not contain minerals considered to be of an uncommon variety.

Upon relinquishment or final Departmental determination that the mining claims are null and void, the BLM would either terminate or modify the Plan to be consistent with the recommendations provided in the DCV and any subsequent contest proceedings. Such action could require the operator to close and reclaim the operations. For any materials deemed to be common variety, the BLM may decide to sell them competitively or noncompetitively, as provided under the Mineral Materials Disposal Regulations, 43 CFR 3600.

As previously discussed and described at 43 CFR 3800.5(b) (enclosed), the operator is responsible for the costs associated with the mineral examination and report. RMR is required to pay a processing fee sufficient to cover the costs incurred by BLM for the DCV. BLM will provide RMR with a cost estimate to initiate the DCV.

In accordance with 43 CFR 3809.101(b)(3), while the DCV is in progress and until it is determined whether the minerals are of a common or uncommon variety, the BLM may continue processing your Plan and allow operations that are currently authorized to continue, provided that you first establish an escrow account in a form acceptable to BLM and make payments for the in-place value of the materials removed. Per your March 5, 2019 discussion and agreement with Northwest District Manager Andrew Archuleta, payments to the escrow account shall be retroactive to RMR's acquisition of the Mid-Continent Quarry in October 2016. Details of the final payment figures will be provided at a later date. The establishment of an escrow account does not create any implied right to a future mineral material sale.

Enclosed is an escrow agreement template for your use. Please provide BLM with a draft escrow agreement for our review. The escrowed funds will be held in the event that the DCV establishes the minerals in question are common variety. In that event, the funds will be paid to BLM for the purchase of the previously disposed material. If the DCV establishes that the minerals in question are uncommon variety, escrowed funds would be returned to RMR.

RMR must make regular payments to the escrow account for the appraised value of possible common variety minerals removed under a payment schedule approved by BLM. The CRVFO has determined that the payment schedule for the Mid-Continent Quarry escrow account shall be monthly, with payment due by the 20<sup>th</sup> of the following month. The royalty rates for the possible common variety materials disposed from the Mid-Continent Quarry are enclosed.

If you have any questions or concerns regarding this matter, please contact Jessica Lopez Pearce, Geologist, at (970) 876-9018 or [jlopezpearce@blm.gov](mailto:jlopezpearce@blm.gov).

Sincerely,



Larry Sandoval  
Field Manager

Enclosures: Table of Mining Claims upon which a Mineral Exam will be Conducted  
H-9235-1 Illustration of an Escrow Agreement  
Excerpt of 43 CFR 3800.5(b)  
Mid-Continent Quarry Royalty Rates

**Mining Claims Upon Which a Mineral Exam will be Conducted**

Serial Number	Claim Name
CMC251537	CASCADE NO. 1
CMC251538	CASCADE NO. 2
CMC251539	CASCADE NO. 3
CMC251540	CASCADE NO. 4
CMC251541	CHEMIN NO. 1
CMC251542	CHEMIN NO. 2
CMC251543	CHEMIN NO. 3
CMC251544	CHEMIN NO. 4
CMC251545	CHEMIN NO. 5
CMC251546	CHEMIN NO. 6
CMC251547	CHEMIN NO. 7
CMC276917	STORM QUEEN #1
CMC276918	STORM QUEEN #2
CMC276919	STORM QUEEN #3
CMC276920	STORM QUEEN #4
CMC276921	STORM QUEEN #5
CMC276922	STORM QUEEN #6
CMC276923	STORM QUEEN #7
CMC276924	STORM QUEEN #8
CMC276925	STORM QUEEN #9
CMC276926	STORM QUEEN #10
CMC276927	STORM QUEEN #11
CMC276928	STORM QUEEN #12
CMC276929	STORM QUEEN #13
CMC276930	STORM QUEEN #14
CMC276931	STORM QUEEN #15
CMC276932	STORM QUEEN #16
CMC276933	STORM QUEEN #17
CMC276934	STORM QUEEN #18
CMC276935	STORM QUEEN #19
CMC276936	STORM QUEEN #20
CMC276937	STORM QUEEN #21
CMC276938	STORM QUEEN #22
CMC276939	STORM QUEEN #23
CMC276940	STORM QUEEN #24
CMC276941	STORM QUEEN #25
CMC276942	STORM QUEEN #26
CMC276943	STORM QUEEN #27
CMC276944	STORM QUEEN #28

CMC276945	STORM QUEEN #29
CMC276946	STORM QUEEN #30
CMC290391	OASIS 1
CMC290392	OASIS 2
CMC290393	OASIS 3

## H-9235-1 MINERAL MATERIAL TRESPASS PREVENTION AND ABATEMENT

Illustration 1, Page 1  
Illustration of an Escrow Agreement

**ESCROW AGREEMENT  
BETWEEN HIGH Z MINING COMPANY, INC.  
and the BUREAU OF LAND MANAGEMENT**

In Reply Refer to  
N-633333/N-633344  
3809/3600/9235  
(NV-053)

**RECITALS:**

A. The following described lands (Subject Lands), public lands of the United States, were claimed pursuant to the mining laws by the High Z Mining Company, Inc., (hereafter referred to as "claimant") and have been in good standing since September 15, 1995:

Section 33, T. 25 S., R. 6 E., Mount Diablo Meridian, Clark County, Nevada and as depicted in the attached map which was plotted utilizing global positioning system.

B. The Claimant has maintained the High Z placer mining claims by keeping up the necessary filings with the Bureau of Land Management, U.S. Department of the Interior (BLM) with the intention to produce minerals (sand and gravel) from the natural deposits.

C. The claimant states that the minerals (sand and gravel) claimed are of an "uncommon variety." Claimant also states that the deposit has a property giving it a distinct and special value.

D. BLM believes in good faith that the minerals claimed by claimant, High Z Mining Company, Inc., are of a "common variety" and are not subject to location under mining Laws. BLM believes that claimant is in trespass by removing Non-Locatable minerals from the Subject Lands.

E. The claimant and the BLM agree that the price of the minerals on the Subject Lands is xx dollars and xx cents (\$xx.xx) per ton.

F. Claimant and BLM have agreed to enter into this stipulation agreement to protect their interests, while operations continue and pending the outcome of a validity examination, administrative proceedings, and judicial review.

Now, Therefore, Claimant and the BLM, by and through their respective authorized representatives, hereby stipulate as follows:

(1) The claimant and the BLM shall establish an escrow (the Escrow) with a responsible, neutral escrow holder in Las Vegas, Nevada.

## H-9235-1 MINERAL MATERIAL TRESPASS PREVENTION AND ABATEMENT

### Illustration 1, Page 2 Illustration of an Escrow Agreement

(2) The claimant shall, within 30 days of signing this stipulation, pay into escrow a sum of money equal to xx dollars and xx cents (\$xx.xx) multiplied by the number of tons of material the claimant and its agents excavated and removed from the Subject Lands beginning as of September 1, 1998.

(3) Once the Escrow has been established, and the claimant has paid into the Escrow the sum prescribed by paragraph (2) above, the claimant shall prepare and deliver to the BLM a report describing the amount removed and the moneys escrowed.

(4) Thereafter, on a monthly basis, the claimant shall prepare and deliver a report as to the quantity of sand and gravel excavated from the Subject Lands during the preceding month. The report shall be in a format prescribed by the BLM, and shall be submitted no later than the 15th day following the end of the month for which the claimant is reporting. The claimant shall maintain and preserve records, maps, and surveys related to production verification and valuation as directed by the BLM (be specific to what is needed).

(5) No later than the 15th day following the end of the month, the claimant shall pay into the Escrow a sum of money equal to xx dollars and xx cents (\$xx.xx) multiplied by the number of tons the claimant excavated and removed from the Subject Lands the preceding calendar month.

(6) The Escrow holder shall be instructed to invest the escrowed moneys in one or more appropriate interest-bearing accounts or investments, to the end that these moneys will earn interest pending completion of the validity examination and any administrative or judicial appeals.

(7) When the validity of the mining claims on the Subject Lands has been finally adjudicated, the Escrow holder shall disburse the escrowed moneys, together with accrued interest thereon, to the party in whom such favor is finally adjudicated.

(8) With respect to the deposit in the Subject Lands, the parties shall otherwise be bound and governed by the results of such final adjudication.

So stipulated this \_\_\_\_ of \_\_\_\_\_, 2002

Hi Z Mining Company, Inc.,  
2131 East Main  
Anywhere, California 90023

By: /S/

Bud Glitter, President

United States Department of the Interior  
Bureau of Land Management  
Las Vegas Field Office  
4765 W. Vegas Drive  
Las Vegas, Nevada 89126

By: /S/

Charley Goodwill, Field Office Manager

## **Part 3800 – Mining Claims Under the General Mining Laws**

### **Subpart 3800—General**

#### **§3800.5 Fees.**

(a) An applicant for a plan of operations under this part must pay a processing fee on a case-by-case basis as described in §3000.11 of this chapter whenever BLM determines that consideration of the plan of operations requires the preparation of an Environmental Impact Statement.

(b) An applicant for any action for which a mineral examination, including a validity examination or a common variety determination, and their associated reports, is performed under §3809.100 or §3809.101 of this part must pay a processing fee on a case-by-case basis as described in section 3000.11 of this chapter for such examination and report.

(c) An applicant for a mineral patent under part 3860 of this chapter must pay a processing fee on a case-by-case basis as described in §3000.11 of this chapter for any validity examination and report prepared in connection with the application.

(d) An applicant for a mineral patent also is required to pay a processing fee under §3860.1 of this chapter.

[70 FR 58878, Oct. 7, 2005]

### **Mid-Continent Quarry Royalty Rates**

BLM will not sell mineral materials at less than fair market value (43 CFR §3602.13). The royalty rates for the materials within the Mid-Continent Limestone Quarry shall be as follows:

- Crushed limestone: \$1.30/ton
- Rip rap: \$1.50/ton
- Limestone boulders: \$3.00/ton.

These rates are based upon the recommendation of the Division of Minerals Evaluation – AVSO on September 21, 2018.